

# "David Butterfield Overland Despatch"

• CHAPTER 5 •

## THE OVERLAND MAIL COMPANY

1864

In December, 1864, David Butterfield, in no way related to or associated with John Butterfield or the southern mail line, established a freight line from Atchison to Denver, along what was then called the direct or Smokey Hill Route, a road considerably shorter than the one used by Ben Holloday's mail stages. It was very nearly the same route first used by the Leavenworth & Pikes Peak Express. Butterfield, a merchant having close ties to both Atchison and Denver business firms, had adequate financing, obtained through eastern bankers. He soon had a credible freight line in operation, which he called the Butterfield Overland Despatch. Although "Despatch" was spelled with an "e" rather than with an "i," almost everyone referred to his line as "The Dispatch."

Butterfield started his new freight line with two hundred large conestoga wagons and twelve hundred Missouri mules. Already well-known to businessmen along the line, his freight business became an instant success. Butterfield's new endeavor never went unnoticed by Holloday, although he took little interest in it until August, 1865, when Butterfield announced that he would soon begin carrying express, gold, silver and other valuables from the Colorado mines to banks at Atchison. He placed the following advertisement in area newspapers:

EXPRESS: Beginning August 1, 1865, the Butterfield Overland Despatch will have a line of express coaches running daily between Atchison and Denver. As soon as possible a tri-weekly stage will be established between Denver and Salt Lake City, on which merchandise will be carried at fair express rates.

That announcement with its advertised "fair express rates" caused Holloday to take a closer look at the new "Dispatch," since he did not accept express shipments originating with Wells Fargo, thereby having a monopoly on the express business on the eastern half of his stage line. Butterfield's new company readily accepted express shipments from Wells Fargo, giving Holloday his first competition between Atchison and Salt Lake City. He was still reeling from the loss of his far western express business—lost to McLane's Pioneer line—and had no stomach for losing still more business.

Only a month later Holloday was forced to take an even closer second look at "The Dispatch" when Butterfield purchased twenty new stagecoaches from a Chicago firm, and announced that he was initiating regular passenger service between Atchison and Denver, beginning September 23rd, 1865. His stage route would be from Atchison to Fort Riley, Ellsworth, Bluffton, Smokey Hill Springs, Cheyenne Wells and Denver—592 miles on a nearly straight road west, whereas Holloday had only a branch line to Denver, and that along a much more circuitous road, nearly 700 miles long. Butterfield's new coaches were soon regularly beating Holloday's coaches to Denver by a full day. (See Table #5 for stations and mileages on the Smokey Hill Route.)

Already stung by his losses in the west, Holloday wasn't one to stand idly by while he lost part of his eastern business. He immediately cut his fare to Denver from \$175 to only \$75, but Butterfield quickly matched his price. Holloday then cut the fare on his lucrative Denver to Central City route to only one dollar, but again Butterfield matched him! Both firms were losing huge amounts of money with their fare wars, but Holloday had still another trick up his sleeve. On August 2, an Indian attack was made on a Butterfield stage, but it was an unusual attack, for although the stage was burned and the team driven off, neither the driver or passengers were harmed, or even bothered. The Indians simply ignored them, displaying no interest whatever in their scalps. Another odd thing was noticed, although dressed in buckskins, none of the Indians had red skin!

The attacks on Butterfield's stages continued, but oddly, none of Holloday's coaches was attacked. On one run, driver Fred Merwin was killed, but several of the passengers, correspondents for *Harper's Weekly*, reported that the Indians were definitely white men dressed as savages. The finger of suspicion pointed directly at Ben Holloday, but there was no proof that he was involved in the attacks, and no charges were filed. However, the attacks ruined Butterfield, for seldom did one of his stages get through safely, and almost overnight passenger business on his "Dispatch" disappeared.

David Butterfield found himself with a stage line passengers were afraid to ride on, and then, even worse, his highly-efficient freight line was given a hard finan-



cial setback. Most of his freight business was with the mines near Denver and in the mountains beyond. He had been kept busy dispatching long wagon trains filled with heavy mine and mill machinery. During the summer of 1865, each succeeding freight train had grown larger — from early June when a train carrying seventy-five tons left for the mountains, followed in July by one carrying one hundred tons, and another in August loaded with three hundred tons, all carried at twenty-two cents per pound! Another large wagon train loaded down with seventeen huge steam boilers was on the trail west when Butterfield received word that the “Pikes Peak Excitement” had collapsed, and that mine owners were unable to pay freight charges they had contracted for. Already deep in debt from his failed stage business, Butterfield was forced to dump the heavy mine machinery on the prairie, where it lay for years, slowly rusting away.

In February, 1866, David Butterfield met with a group of bankers in hope of refinancing his shattered Overland Despatch, but unexpectedly Ben Holloday showed up at the same meeting. It was said that Holloday told Butterfield, “I know that you are now in debt for more than one million dollars, but even that will not be the end of it. If you don’t do something right now, you will be out a whole lot more!” After Holloday’s threat, bankers refused to loan Butterfield any more money, and with no choice, he surrendered his entire freight and stage line to Holloday, receiving nothing in return except an agreement that Holloday would pay some of his outstanding debts. Butterfield was a ruined man. Holloday quickly merged Butterfield’s equipment into his Overland Mail Company and, with no competition, increased his fares to the most outrageous rates.

It was during Holloday’s reign as “Napoleon of the Plains,” a title he cherished, that his famous cross-country race occurred. That it took place is certain, but there are several differing accounts as to why it occurred. Holloday staged a cross-country run from Sacramento to Atchison — nearly two thousand miles — and made it in only twelve days and two hours, which was five days faster than the best time made before then. Frank A. Root in *The Overland Stage to California* stated that the reason for the race was twofold: because important business at New York City demanded Holloday’s personal and immediate attention, and also to impress postal authorities to help ensure winning a pending contract bid. Noble Warrum, in his *Utah Since Statehood*, gave a more mundane reason for the fast ride: to make money for Holloday. Somehow, Warrum’s argument seems to be the most convincing.

According to Root, Holloday telegraphed his division superintendents all along the line to have everything in readiness, with the fastest horses standing by at every station, for the quickest possible change of teams on his specially-outfitted Concord. Over the Sierras and across the deserts of Nevada the coach flew, and along the old Chorpenning route, leaving a trail of dust all the way to Salt Lake City. Eastward it raced, across Wyoming and Colorado to Atchison. An hour more

could have been shaved off the record if Holloday had not delayed at Denver, where he stopped long enough to purchase a new hat and some cigars, and to meet Colonel Patrick Connor who accompanied him from there to Atchison. The two-hundred-mile ride from Denver to Julesburg was made in only twenty hours, at which place Holloday asked Division Superintendent Bob Spottswood, “Well Bob, how many horses do you suppose I’ve killed?” It was said that the race cost him \$20,000; but the publicity gained was well worth it, for he got the new mail contract.

Warrum gave a different reason for the race. He reported that Holloday left Sacramento with forty thousand dollars in gold dust, wrapped in burlap bags and hidden in a secret compartment built under a false floor in his special coach. Holloday made it a practice to pay his employees with devalued greenbacks, called “Lincoln Skins,” instead of in gold coin. A gold dollar was worth two dollars and forty cents in paper currency. While gold was the accepted medium of exchange on the Pacific coast, he could trade his gold at New York City at the rate of nearly two-and-a-half to one for “Lincoln Skins,” which devalued currency was legal tender with which to pay his employees. According to Warrum, Holloday made his hurried cross-country trip before the rate of exchange became less favorable to him. He exchanged his \$40,000 in gold for \$96,000 in greenbacks, making a handsome profit for himself while gaining good publicity for the Overland Mail Company.

But Holloday didn’t win them all, as was also described by Warrum, who told of an Overland Mail stage eastbound from Salt Lake City that was stopped by three road agents, just east of Fort Bridger. There was no treasure box on board, but all of the male passengers were robbed, including Holloday, who was himself a passenger. Apparently the highwaymen didn’t recognize the famed stagecoach mogul and lined him up with the others, their hands raised high above their heads. Holloday had a large mustache, and he lowered one hand to scratch his nose. When one of the outlaws ordered him to get his hands up and be quick about it, Holloday was said to reply, “My God, man! I must scratch my nose, I can’t stand it any longer!” But the outlaw ordered him to stand tall, saying, “Keep your hands up, I’ll attend to your nose.” He then proceeded to scratch Holloday’s nose with the business end of his already cocked double-barrel shotgun. In later years Holloday liked to tell how his nose had been scratched with the muzzle of a shotgun by a road agent, somewhere out in the wilds of Utah Territory!

Even more embarrassing than being robbed on one of his own stagecoaches were his troubles caused by Jack Slade, superintendent of the Julesburg Division. Only a few years younger than Holloday, Slade’s boyhood and youth nearly paralleled that of the stage line owner. He was born Joseph Alfred Slade at Carlyle, Illinois, in 1829, a son of Illinois Congressman Charles Slade. He fared even worse than had Holloday in school, for while still a boy he threw a rock at an old man named Gottlieb, the stone killing him. In fear of arrest, Slade ran away



from home and later enlisted in the army during the Mexican War, where he learned the rough-and-tumble western lifestyle firsthand.

After the war Slade became a freighter and hired out to Russell, Majors & Waddell as a teamster. Near Hams Fork, northeast of Salt Lake City, he shot and killed another wagon driver. Witnesses said that both men had been arguing and each had his rifle pointed at the other, neither having a chance at the first shot. Slade proposed that they both drop their weapons and settle the matter with their fists. The other driver dropped his rifle, but Slade didn't, and shot him in cold blood. He then fled to Brown's Hole, an outlaw hideout located on the border of Utah and Wyoming, where for a time he helped develop a silver prospect with a half-mad recluse named Jesse Ewing. When they got into an argument, Slade beat the old man senseless and left him for dead.

By 1860, Slade was back at his old stomping grounds along the Overland Trail, where he was hired as a division superintendent by Alexander Majors. Apparently Majors figured that anyone as mean as Slade was could keep his employees in line. In no time Slade killed a half-dozen or more road agents and rustlers, gaining such a reputation that when Holloday took over the stage line he kept him on as his division superintendent, stationed at Julesburg. There was a saying that along the Overland, Slade was feared a great deal more than the Almighty! As long as he remained sober, Slade was a good employee, always looking out for Holloday's interests, but when he was drinking, which was becoming more and more frequent, he thought nothing of shooting up Holloday's coaches and stage stations. The men who worked for Slade called him "the little terror of the plains"; but not to his face!

The story of his killing old Jules Remi has often been told, so it will not be repeated here in detail except to say that Remi was suspected of stealing stage line horses, and Slade let it be known that he intended to kill him. Remi waited in ambush and shot Slade at close range with a double-barrel shotgun loaded with buckshot. From that encounter Slade carried twenty-eight buckshot, in addition to a half dozen bullets from other gunfights. When he recovered from his wounds, Slade came back to find Remi. He caught Remi and tied him to a corral post, and then slowly, shot by shot, he riddled his arms, legs and body with bullets until old Remi was dead. He then cut off his ears and afterwards wore one of them on his watch chain, a warning to other would-be thieves. With his reputation, thefts and hold-ups on the Holloday line fell off sharply; but Slade's reckless and violent acts when drunk soon proved to be too much even for Holloday. After Slade hung four men who he claimed were horse thieves, Holloday fired him.

From his job of protecting the Overland Mail, Slade took to robbing it. In 1863, a Holloday stage was robbed of a \$60,000 army payroll near the Point Of Rocks station in Wyoming, with several of the passengers being shot for no apparent reason. The driver recognized the

road agent as being Jack Slade. Not long afterwards, Slade was freighting between Salt Lake City and the Montana gold camps with Jimmy Reed, an old-time Indian trader from Whiterocks, Utah. Carousing at the wild gold camps of Alder Gulch and Virginia City, Slade made a continual nuisance of himself—drinking, fighting, brawling and shooting up the town whenever he felt like it. He was warned several times by the Vigilance Committee, and always agreed to reform; but only a few days later he would be drunk again and more belligerent than ever.

One night Slade was drunk and particularly obnoxious. He was seized and taken before Judge Alexander Davis, but as the warrant against him was being read, Slade suddenly grabbed it and tore it in pieces, throwing it to the floor and drunkenly challenging the judge to a fight. It was too much, and within minutes a band of vigilantes forced their way into the courtroom. Slade was dragged from the courtroom and marched to the front of Russell's Corral, where a rope was thrown over a high beam. He was stood atop an empty packing crate and asked if he had any last words. Finally realizing that the vigilantes were serious, Slade began crying and begged for his life—a coward at the end. As the box was kicked from under him, Slade's last words were, "My God! Must I die? Oh, my poor wife!" The date was March 10, 1864.

Slade's wife was summoned and she cursed the vigilantes, saying that had she been there, she would have shot her husband rather than let him hang! She had Slade placed in a zinc coffin which was filled with whiskey to preserve his body. The roads were deep with mud and snow, so the coffin was kept by her bedside until July, when it was shipped to Salt Lake City on the Peabody & Caldwell Stage. Mrs. Slade would not allow the coffin to be shipped on a Holloday coach. Jack Slade was buried at Salt Lake City on July 20, 1864. Of interest to treasure hunters is a tale that while Slade was pleading for his life, he promised to lead vigilantes to a place in Slade Canyon where he had cached most of the loot taken during the Point Of Rocks robbery. For those interested, Slade Canyon is located near old Fort Laramie.

But Slade wasn't the only stage robber Holloday had to worry about. Both his Boise Basin and Montana branch lines were shipping large amounts of bullion to Salt Lake City. The Thomas & Greathouse line was also sending huge quantities of gold north to Portland and Walla Walla. In October, 1865, a shipment of three thousand pounds of bullion was said to be "the largest treasure ever sent out up to this time on one stage." By the summer of 1865, more than two million dollars in bullion had been shipped from the mines, and although Holloday tried to keep his express shipments secret, road agents were soon swarming like flies. In January, 1865, "persons unknown" stole three packets of gold dust valued at \$10,000 from an express shipment sent out on the Walla Walla stage. During the latter part of September, 1865, six highwaymen stopped the Boise to Umatilla stage just as it approached Pleasant Valley sta-



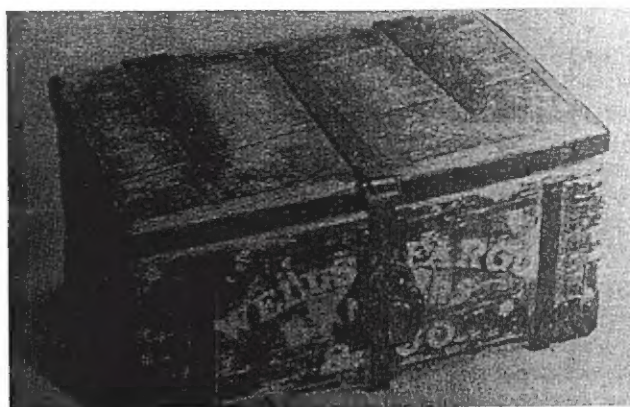
tion. The lead horses were shot and the driver with thirteen passengers fled on foot, leaving one old man and three women alone with the stage. \$12,000 was taken from the express box and from the passengers who were too old to flee. The Boise newspaper criticized: "Two more cowardly groups couldn't be found, the robbers and the driver and passengers who ran away!"

Only a month later, in October, 1865, a Thomas & Greathouse stage sent out one of the largest treasure shipments to date—eight large sacks of gold dust and nuggets and a pile of bullion bars, valued at \$175,000. Two shotgun guards rode the stage, which got through safely. Some idea of how rich some treasure shipments were was noted when another shipment was sent to Salt Lake City. It consisted of 750 pounds of gold dust and 450 pounds of silver bars, all valued at \$225,000! In March, 1866, an unusual accident happened to the Dalles & Canyon City stage when it overturned while crossing the South Fork of the John Day River. The treasure box was washed downstream and was lost. A month later it was found a mile below where the stage had rolled over, its \$3,000 in gold still intact.

Many and contradictory were the tales told about Ben Holloday, but no one ever said he was a fool; and because he was canny and farsighted, he could see the handwriting on the wall. He was one of the first to realize that overland stagecoaching—the transcontinental lines—were fast becoming obsolete. The eastern and western railheads of the Pacific Railroad were drawing ever closer together. Holloday's eastern stage terminal had to be moved from Atchison to keep up with the constantly moving end of the line as the rails were laid west, often at the rate of fifty miles a week. By October, 1866, his eastern terminal had been moved west to Junction City, once a stage stop it had taken several days to reach.

The Pacific Railroad had started out very slowly, laying only two hundred miles of track during its first year of construction, but by 1866 it had reached Fort Kearney, only a few years earlier a stage station far removed from the east. The Central Pacific was building over the crest of the Sierras, and Holloday knew that when its rails reached the flat desert country of Nevada, the track would be pushed rapidly eastward. Others failed to realize how quickly the railroad would be completed. They saw the Sierras and the Rockies as obstacles which might take decades to conquer; but Holloday knew the country from firsthand experience, and foresaw that the Union Pacific would have little trouble building across the continental divide in Wyoming, and once its rails reached Utah they would have an easy grade all the way to the Central Pacific's end of track. Holloday was only forty-seven years old and in the prime of life, the head of the largest transportation company in the country. He decided it was time to get out, while he was still ahead of the game.

Wells Fargo had been encroaching more and more into his territory. William Dinsmore already held the mail contract on his stage line and was also draining



The famous Wells Fargo treasure box. Made of wood, it did little to deter road agents.

off a large part of his express business. Holloday knew that Dinsmore was anxious to get his hands on the Overland Mail, but if that failed he was capable of equipping his own stage line. Holloday had effectively kept Wells Fargo out of the express business between Atchison and Salt Lake City, but the threat of a competing line was all the more reason for him to make a move quickly. Whether through bad advice or incompetence at high levels, Wells Fargo somehow misjudged the rate at which the Pacific Railroad was being built. Probably they simply never knew the country across which it was being built as well as did Holloday. Whatever the reason, their company directors believed that the overland stage business would continue for many years. Holloday knew that the railroad would be completed sooner than anyone expected, and when it was, overland staging would be a thing of the past. Local lines would still thrive and branch lines would flourish; but Holloday wasn't interested in short lines, they would be in the hands of others. He saw what he believed to be a golden opportunity, and he took advantage of it.

On November 1, 1866, Holloday sold the Overland Mail Company, including all of its branch lines, its roads, stations, coaches and equipment to Wells Fargo. His price was high. He received one and a half million dollars for the line and another million for hay, feed, supplies and equipment. He was also given \$250,000 in Wells Fargo stock, as well as a director's position in the company. With its purchase, Wells Fargo became the owner of nearly every stage line of any consequence west of the Missouri. But the decade or more they believed it would take to complete the Pacific Railroad took little more than two years. Once the Union Pacific crossed the continental divide they set a record for laying track, seven miles in one day. But the Central Pacific bettered them with ten miles in one day! The golden spike was driven home at Promontory Point north of Salt Lake City on May 10, 1869. When that last spike was driven, the Pacific Railroad was finished, and so was transcontinental stagecoaching. But until then, Wells Fargo would be in charge.